18. (amended) A molecular library of retroviruses according to claim 16 comprising at least 10^6 different retroviral nucleic acid sequences.

19. (amended) A molecular library of retroviruses according to claim 16 comprising at least 10^7 different retroviral nucleic acid sequences.

20. (amended) A molecular library of retroviruses according to claim 16 comprising at least 10^8 different retroviral nucleic acid sequences.

21. (amended) A cellular library comprising at least 10^4 mammalian cells comprising different retroviral nucleic acid sequences, wherein said retroviral nucleic acid sequences comprise an insertion of a nucleic acid sequence that encodes a candidate bioactive peptide of from 4 to 100 amino acids in length, wherein said candidate bioactive peptide comprises a randomized portion.

23. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 16, wherein said retroviral nucleic acid sequences further encode a fusion partner translationally fused to said nucleic acid sequence that encodes a candidate bioactive peptide.

24. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 23, wherein said fusion partner comprises a targeting sequence.

25. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 23, wherein said fusion partner comprises a rescue sequence.

26. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 23, wherein said fusion partner comprises a stability sequence.

27. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 23, wherein said fusion partner comprises a dimerization sequence.

28. (amended) The molecular library comprising at least 10^4 different retroviral nucleic acid sequences according to claim 16, wherein said randomized portion is biased in randomization.

30. (amended) A cellular library comprising at least 10^4 mammalian cells comprising different retroviral nucleic acid sequences, wherein said retroviral nucleic acid sequences comprise an insertion of a nucleic acid sequence that encodes a candidate bioactive peptide of from 4 to 100 amino acids in length translationally fused to a fusion partner, wherein said candidate bioactive peptide comprises a randomized portion, and said candidate bioactive peptide is intracellular.

31. (amended) The cellular library according to Claim 30, wherein said fusion partner comprises a rescue sequence.

REMARKS

Claims 16-21, 23-28 and 30-21 are pending after entry of the amendments set forth herein.

Claims 16-31 were pending, claims 22 and 29 are canceled without prejudice to renewal or refilling. Claims 16-21, 23-28 and 30-21 are amended. The amendments to the claims were made solely in the interest of expediting prosecution, and are not to be construed as an acquiescence to any objection or rejection of any claim. No new matter is added by these amendments. Applicants respectfully request reconsideration of the application in view of the remarks made herein.

Support for the amending language "candidate bioactive peptide" may be found in the specification on page 5, lines 5-14. Support for the amending language "peptide of from 4 to 100 amino acids in length" may be found on page 5, lines 15-22. Support for the amending language "randomized portion" may be found in the specification on page 6, line 2. Support for the amending language "translationally fused" to the reporter gene may be found in the specification on page 37, line 19 and page 78, line 1.

Rejections of canceled claims are made moot and will not be further considered.

Claims 16-31 have been rejected under 35 U.S.C. 101 as directed to non-statutory subject matter. The Office Action states that the claimed libraries are starting materials, and not a useful product. Applicants respectfully submit that the libraries set forth in Claims 23-26, 32-35 and 37-38 meet the requirements of 35 U.S.C. 101 for utility. An invention has a well-established utility if a person of ordinary skill in the art would immediately appreciate why the invention is useful based on the characteristics of the invention *(e.g.,* properties or applications of a product or process), and the utility is specific, substantial, and credible. Applicants respectfully submit that the use and sale of libraries of compounds is well known in the biological and chemical arts. The development of libraries having novel features is important in the field of molecular biology. One of skill in the art would appreciate the commercial value of such libraries, and their utility in the molecular biology